
SENATE BILL No. 384

DIGEST OF INTRODUCED BILL

Citations Affected: IC 8-1-2-4.5.

Synopsis: Gas utility connection charges and deposits. Provides that the amount charged by a natural gas utility to connect or reconnect utility service may not exceed the utility's actual connection or reconnection costs. Permits a utility to require a deposit before connecting or reconnecting service. Provides that the amount of the deposit may not exceed: (1) one-twelfth of the estimated annual cost of the utility service to be provided to an applicant or a customer; or (2) if the applicant or customer has contracted for a budget billing plan, the equivalent of one budget billing payment. Provides that certain rules adopted by the utility regulatory commission (IURC) are void to the extent they conflict with the requirements for: (1) connection or reconnection charges; and (2) deposits. Directs the IURC to amend existing rules to comply with the requirements.

Effective: July 1, 2007.

Broden

January 11, 2007, read first time and referred to Committee on Utilities & Regulatory Affairs.

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Introduced

First Regular Session 115th General Assembly (2007)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2006 Regular Session of the General Assembly.

SENATE BILL No. 384

A BILL FOR AN ACT to amend the Indiana Code concerning utilities and transportation.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 8-1-2-4.5 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
3 1, 2007]: **Sec. 4.5. (a) As used in this section, "applicant" means a**
4 **person that applies to receive utility service as a customer of a**
5 **utility.**

6 **(b) As used in this section, "budget billing plan" refers to an**
7 **alternative billing method that:**

8 **(1) is offered by a utility to a customer;**

9 **(2) bills the customer in equal installments over an extended**
10 **period, with each installment representing an equal**
11 **proportion of the amount estimated to be owed to the utility**
12 **by the customer over the extended period; and**

13 **(3) balances the customer's account at the end of the extended**
14 **period, so that:**

15 **(A) the customer is given a refund or credit for any excess**
16 **amount paid by the customer over the extended period, if**
17 **the actual amount owed by the customer over the extended**

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period is less than the total amount paid by the customer in the installments; or

(B) the customer is charged for any deficiency, whether in a one (1) time settlement or in payments spread out over one (1) or more future bills, if the actual amount owed by the customer over the extended period is more than the total amount paid by the customer in the installments.

(c) As used in this section, "customer" refers to any of the following:

(1) A residential customer of a utility, including a customer that receives home energy assistance through a program administered by the lieutenant governor under IC 4-4-33.

(2) A building (as defined in IC 8-1-2-36.5(a)) that:

(A) receives utility service from a utility; and

(B) is served by a master meter, as described in IC 8-1-2-36.5.

(d) As used in this section, "utility" refers to a public, municipally owned, or cooperatively owned utility that provides utility service to customers in Indiana. The term includes a utility owned or held in trust by a consolidated city under IC 8-1-11.1.

(e) As used in this section, "utility service" refers to natural gas utility service that is:

(1) provided by a utility to a customer; and

(2) subject to regulation by the commission.

(f) A utility may impose a reasonable and just connection or reconnection charge to:

(1) an applicant; or

(2) a customer.

The charge may not exceed the costs actually incurred by the utility in connecting or reconnecting service, whichever applies.

(g) Subject to subsection (h), a utility may require a reasonable and just deposit from:

(1) an applicant; or

(2) a customer;

before the utility connects or reconnects the applicant's or customer's service. A deposit under this subsection is in addition to any charge imposed under subsection (f).

(h) The amount of a deposit charged by a utility under subsection (g) may not exceed:

(1) one-twelfth (1/12) of the estimated annual cost of the utility service to be provided to the applicant or customer; or

(2) if the applicant or customer has contracted for a budget

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1 **billing plan, the equivalent of one (1) budget billing payment.**
2 **(i) To the extent that they conflict with this section, the following**
3 **are void:**
4 **(1) 170 IAC 5-1-15.**
5 **(2) 170 IAC 5-1-16.**
6 **(3) Any other rule:**
7 **(A) adopted by the commission; and**
8 **(B) governing:**
9 **(i) connection or reconnection charges; or**
10 **(ii) deposits;**
11 **charged by a utility to an applicant or a customer.**
12 **The commission shall adopt rules under IC 4-22-2 to amend the**
13 **rules described in this subsection to the extent necessary to make**
14 **the rules conform to the requirements of this section.**

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